

AMENDED IN ASSEMBLY MAY 9, 2011

CALIFORNIA LEGISLATURE—2011–12 REGULAR SESSION

ASSEMBLY BILL

No. 784

Introduced by Assembly Members Yamada and Knight

February 17, 2011

An act to ~~amend Section 14043.46 of~~ *add Section 14589.6 to the* Welfare and Institutions Code, relating to care facilities.

LEGISLATIVE COUNSEL'S DIGEST

AB 784, as amended, Yamada. Adult day health ~~care centers, care.~~

Existing law, the California Adult Day Health Care Act, provides for the licensure and regulation of adult day health care centers, with administrative responsibility for the adult day health care program shared among the State Department of Public Health, the State Department of Health Care Services, and the California Department of Aging pursuant to an interagency agreement.

~~Existing law, the Adult Day Health Medi-Cal Law, establishes adult day health care services as a Medi-Cal benefit for Medi-Cal beneficiaries who meet certain criteria. Under existing law, participation in an adult day health care program requires prior authorization by the State Department of Health Care Services.~~

~~Existing law authorizes the State Department of Health Care Services to implement a moratorium on the certification and enrollment into the Medi-Cal program of new adult day health care centers on a statewide basis or within a geographic area, subject to certain limitations. Existing law provides that the moratorium shall not apply to certain applicants.~~

~~This bill would add 2 specified veterans homes of California to the list of applicants that are not subject to the moratorium, and also would make technical, nonsubstantive changes to these provisions. This bill~~

would provide that it would be implemented only to the extent that funds for its purposes are appropriated in the annual Budget Act.

Existing law provides for the Medi-Cal program, which is administered by the State Department of Health Care Services, under which qualified low-income individuals receive health care services. The Medi-Cal program is, in part, governed and funded by federal Medicaid Program provisions. Existing law, to the extent permitted by federal law, excludes adult day health care from coverage under the Medi-Cal program and provides that it is the intent of the Legislature to adopt legislation during the 2011–12 Regular Session creating a new program to provide a well-defined scope of services, as specified, to eligible beneficiaries in the absence of such community-based services.

This bill would, to the extent that funds are available, require that equivalent services provided at 2 specified veterans homes of California be considered for inclusion in the new program. This bill would require that this provision be implemented in a manner that is equitable with regard to other enrollees of the new program.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 14589.6 is added to the Welfare and
- 2 Institutions Code, to read:
- 3 14589.6. (a) If exclusion of adult day health care from
- 4 coverage under the Medi-Cal program is implemented pursuant
- 5 to Section 14589.5, and a new program is enacted to provide a
- 6 well-defined scope of services to eligible beneficiaries who meet
- 7 a high medical acuity standard and are at a significant risk of
- 8 institutionalization in the absence of such community-based
- 9 services, then equivalent services provided at the William J. “Pete”
- 10 Knight Veterans Home of California, Lancaster, and the Veterans
- 11 Home of California, Ventura, shall be considered for inclusion in
- 12 the new program.
- 13 (b) This section shall be implemented only to the extent that
- 14 funds are available and in a manner that is equitable with regard
- 15 to other potential enrollees of the new program.
- 16 SECTION 1. ~~Section 14043.46 of the Welfare and Institutions~~
- 17 Code is amended to read:

1 ~~14043.46. (a) Notwithstanding any other provision of law, on~~
2 ~~the effective date of the act adding this section, the department~~
3 ~~may implement a one-year moratorium on the certification and~~
4 ~~enrollment into the Medi-Cal program of new adult day health~~
5 ~~care centers on a statewide basis or within a geographic area.~~

6 ~~(b) The moratorium shall not apply to the following:~~

7 ~~(1) Programs of All-Inclusive Care for the Elderly (PACE)~~
8 ~~established pursuant to Chapter 8.75 (commencing with Section~~
9 ~~14590).~~

10 ~~(2) An organization that currently holds a designation as a~~
11 ~~federally qualified health center as defined in Section 1396d(l)(2)~~
12 ~~of Title 42 of the United States Code.~~

13 ~~(3) An organization that currently holds a designation as a~~
14 ~~federally qualified rural health clinic as defined in Section~~
15 ~~1396d(l)(1) of Title 42 of the United States Code.~~

16 ~~(4) An applicant with the physical location of the center in an~~
17 ~~unserved area, which is defined as a county having no licensed~~
18 ~~and certified adult day health care center within its geographic~~
19 ~~boundary.~~

20 ~~(5) Commencing May 1, 2006, an applicant for certification~~
21 ~~that meets all of the following:~~

22 ~~(A) Is serving persons discharged into community housing from~~
23 ~~a nursing facility operated by the City and County of San Francisco.~~

24 ~~(B) Has submitted, after December 31, 2005, but prior to~~
25 ~~February 1, 2006, an application for certification that has not been~~
26 ~~denied.~~

27 ~~(C) Meets all criteria for certification imposed under this article~~
28 ~~and is licensed as an adult day health care center pursuant to~~
29 ~~Chapter 3.3 (commencing with Section 1570) of Division 2 of the~~
30 ~~Health and Safety Code.~~

31 ~~(6) An applicant that is requesting expansion, relocation, or~~
32 ~~both, that has been Medi-Cal certified as an adult day health care~~
33 ~~center for at least four years, is expanding or relocating within the~~
34 ~~same county, and that meets one of the following population-based~~
35 ~~criteria as reported in the California Long Term Care County Data~~
36 ~~Book, 2002:~~

37 ~~(A) The county is ranked number one or two for having the~~
38 ~~highest ratio of persons over 65 years of age receiving Medi-Cal~~
39 ~~benefits.~~

~~(B) The county is ranked number one or two for having the highest ratio of persons over 85 years of age residing in the county.~~

~~(C) The county is ranked number one or two for having the greatest ratio of persons over 65 years of age living in poverty.~~

~~(7) An applicant for certification that is currently licensed and located in a county with a population that exceeds 9,000,000 and meets the following criteria:~~

~~(A) The applicant has identified a special population of regional center consumers whose individual program plan calls for the specialized health and social services that are uniquely provided within the adult day health care center, in order to prevent deterioration of the special population's health status.~~

~~(B) The referring regional center submits a letter to the Director of Health Care Services supporting the applicant for certification as an adult day health care provider for this special population.~~

~~(C) The applicant is currently providing services to the special population as a vendor of the referring regional center.~~

~~(D) The participants in the center are clients of the referring regional center and are not residing in a health facility licensed pursuant to subdivision (c), (d), (g), (h), or (k) of Section 1250 of the Health and Safety Code.~~

~~(8) The William J. "Pete" Knight Veterans Home of California, Lancaster; and the Veterans Home of California, Ventura. This paragraph shall only be implemented to the extent that funds for this purpose are appropriated in the annual Budget Act.~~

~~(e) The moratorium shall not prohibit the department from approving a change of ownership, relocation, or increase in capacity for an adult day health care center if the following conditions are met:~~

~~(1) For an application to change ownership, the adult day health care center meets all of the following conditions:~~

~~(A) Has been licensed and certified prior to the effective date of this section.~~

~~(B) Has a license in good standing.~~

~~(C) Has a record of substantial compliance with certification laws and regulations.~~

~~(D) Has met all requirements for the change of ownership application.~~

1 ~~(2) For an application to relocate an existing facility, the~~
2 ~~relocation center shall meet all of the conditions of paragraph (1)~~
3 ~~and both of the following conditions:~~

4 ~~(A) Be located in the same county as the existing licensed center.~~

5 ~~(B) Be licensed for the same capacity as the existing licensed~~
6 ~~center, unless the relocation center is located in an underserved~~
7 ~~area, which is defined as a county having 2 percent or fewer~~
8 ~~Medi-Cal beneficiaries over 65 years of age using adult day health~~
9 ~~care services, based on 2002 calendar year Medi-Cal utilization~~
10 ~~data.~~

11 ~~(3) For an application to increase the capacity of an existing~~
12 ~~facility, the center shall meet all of the conditions of paragraph (1)~~
13 ~~and shall be located in an underserved area, which is defined as a~~
14 ~~county having 2 percent or fewer Medi-Cal beneficiaries over 65~~
15 ~~years of age using adult day health care services, based on 2002~~
16 ~~calendar year Medi-Cal utilization data.~~

17 ~~(d) Following the first 180 days of the moratorium period, the~~
18 ~~department may make exceptions to the moratorium for new adult~~
19 ~~day health care centers that are located in underserved areas if the~~
20 ~~center's application was on file with the department on or before~~
21 ~~the effective date of the act adding this section. In order to apply~~
22 ~~for this exemption, an applicant or licensee shall meet all of the~~
23 ~~following criteria:~~

24 ~~(1) The applicant has control of a facility, either by ownership~~
25 ~~or lease agreement, that will house the adult day health care center,~~
26 ~~has provided to the department all necessary documents and fees,~~
27 ~~and has completed and submitted all required fingerprinting forms~~
28 ~~to the department.~~

29 ~~(2) The physical location of the applicant's or licensee's adult~~
30 ~~day health care center is in an underserved area, which is defined~~
31 ~~as a county having 2 percent or fewer Medi-Cal beneficiaries over~~
32 ~~65 years of age using adult day health care services, based on 2002~~
33 ~~calendar year Medi-Cal utilization data.~~

34 ~~(e) During the period of the moratorium, a licensee or applicant~~
35 ~~that meets the criteria for an exemption as defined in subdivision~~
36 ~~(d) may submit a written request for an exemption to the director.~~

37 ~~(f) If the director determines that a new adult day health care~~
38 ~~licensee or applicant meets the exemption criteria, the director~~
39 ~~may certify the licensee or applicant, once licensed, for~~
40 ~~participation in the Medi-Cal program.~~

- 1 ~~(g) The director may extend this moratorium, if necessary, to~~
2 ~~coincide with the implementation date of the adult day health care~~
3 ~~waiver.~~
4 ~~(h) The authority granted in this section shall not be interpreted~~
5 ~~as a limitation on the authority granted to the department in any~~
6 ~~other section.~~